

00-*R*-1131

(Do Not Write Above This Line)

A RESOLUTION BY

TRANSPORTATION COMMITTEE

A RESOLUTION AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE A LEASE AGREEMENT WITH MERCURY AIR CARGO, INC., COVERING THE OCCUPANCY AND USE OF A PORTION OF CARGO BUILDING A ON TRACT A IN THE SOUTH CARGO AREA AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, CONSISTING OF APPROXIMATELY 2.402 ACRES OF LAND, TOGETHER WITH THE ASSOCIATED CARGO WAREHOUSE SPACE, MEZZANINE OFFICE SPACE, AIRSIDE OPERATIONS AREA AND LANDSIDE OPERATIONS AREA PAVEMENT, FOR USE IN THE ESTABLISHMENT AND OPERATION OF AN AIR CARGO FACILITY; AND FOR OTHER PURPOSES.

ADOPTED BY

AUG 07 2000

COUNCIL

- ☐ CONSENT REFER
- ☐ REGULAR REPORT REFER
- ☐ ADVERTISE & REFER
- ☐ 1st ADOPT 2nd READ & REFER
- ☐ PERSONAL PAPER REFER

Date Referred

Referred To:

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred to _____

Committee <i>Transportation</i>	Committee _____
Date <i>8-2-00</i>	Date _____
Chair <i>[Signature]</i>	Chair _____
Action: Fav, Adv, Hold (see rev. side)	Action: Fav, Adv, Hold (see rev. side)
Other: _____	Other: _____
Members <i>[Signatures]</i>	Members _____
Refer To <i>[Signature]</i>	Refer To _____

Committee _____	Committee _____
Date _____	Date _____
Chair _____	Chair _____
Action: Fav, Adv, Hold (see rev. side)	Action: Fav, Adv, Hold (see rev. side)
Other: _____	Other: _____
Members _____	Members _____
Refer To _____	Refer To _____

FINAL COUNCIL ACTION
☐ 2nd ☐ 1st & 2nd ☐ 3rd
Readings
☒ Consent ☐ V Vote ☐ RC Vote

CERTIFIED

CERTIFIED
AUG 7 2000

CERTIFIED
AUG 07 2000

Ruth Douglas Johnson
MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED

AUG 13 2000

[Signature]
MAYOR



A RESOLUTION

BY TRANSPORTATION COMMITTEE

00- R -1131

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT WITH MERCURY AIR CARGO, INC., COVERING THE OCCUPANCY AND USE OF A PORTION OF CARGO BUILDING A ON TRACT A IN THE SOUTH CARGO AREA AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, CONSISTING OF APPROXIMATELY 2.402 ACRES OF LAND, TOGETHER WITH THE ASSOCIATED CARGO WAREHOUSE SPACE, MEZZANINE OFFICE SPACE, AIRSIDE OPERATIONS AREA AND LANDSIDE OPERATIONS AREA PAVEMENT, FOR USE IN THE ESTABLISHMENT AND OPERATION OF AN AIR CARGO FACILITY; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta has developed the South Cargo Area at Hartsfield Atlanta International Airport for use by airlines and other firms engaged in the air cargo and air freight business at the Airport; and

WHEREAS, Mercury Air Cargo, Inc., who is engaged in the air cargo and air freight business, has requested a lease of space in the South Cargo Area; and

WHEREAS, the Aviation General Manager has determined that sufficient space is available in Cargo Building A on Tract A to meet Mercury's requirements and has recommended that the City of Atlanta enter into a lease agreement with said firm, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA that the Mayor or his designee be and he hereby is authorized to execute on behalf of the City of Atlanta a Lease Agreement with Mercury Air Cargo, Inc., which shall provide for the occupancy and use of a portion of Cargo Building A on Tract A in the South Cargo Area at Hartsfield Atlanta International Airport, consisting of approximately 2.402 acres of land, together with the improvements existing or to be constructed thereon, consisting of approximately 60,597.00 square feet of cargo building warehouse space, approximately 9,785.0 square feet of mezzanine level office space, approximately 8,025.0 square feet of airside operations area and approximately 35,631.0 square feet of landside operations area pavement, as its Exclusive Leased Premises and the non-exclusive use of Employee Parking - East Lot, all on substantially the following terms and conditions:

1. For a term 10 years, subject to the City's right to terminate the Lease Agreement for airport development or improvement purposes.
2. With payment of Land Rental for the land area within the Exclusive Leased Premises to be computed at the rate of \$0.373 per square foot per year, subject to escalation at the end of each 2.5 year period during the term at the lesser of 4% per annum or the rate of increase of the CPI over the previous 2.5 years, compounded annually in each instance during the applicable 2.5 year period.



3. With payment of Building/Facilities Rental for the improvements constructed by the City on the Exclusive Leased Premises, to be computed at the rate of \$14.00 per square foot per year for the Cargo Building Warehouse Area and \$0.84 per square foot per year for the Airside Operations and Landside Operations Pavement Areas, all subject to escalation at the end of each 2.5 year period during the term at the lesser of 4% per annum or the rate of increase of the CPI over the previous 2.5 years, compounded annually in each instance during the applicable 2.5 year period.
4. With payment of an M&O Charge based on the cost incurred by the City in maintaining and operating the common use areas and facilities of the South Cargo Area and Building A, estimated initially to be \$5.00 per square foot per year for Building A premises and \$0.26 per square foot per year for common use areas outside Building A, and subject to adjustment annually.
5. With provision for the Lessee to accept the Leased Premises in their "as is" condition on the date the Lease Agreement is executed and to accomplish any improvements to the premises which are necessary to establish and operate an air cargo facility, at no cost or expense to the City.
6. With the express stipulation that the Leased Premises shall be used for air cargo purposes and for no other purpose.
7. With the express stipulation that neither the Lease Agreement nor the Leased Premises shall be subleased or assigned without the prior written consent of the City's Aviation General Manager (excepting only a parent corporation) and in such event only to an air cargo airline or other firm engaged in an air cargo business.
8. And including such other terms and conditions as are required by City ordinances or Federal Regulations or as are customarily included in leases of a similar nature at the Airport.

BE IT FURTHER RESOLVED that the City Attorney be and hereby is directed to prepare said Agreement for execution by the Mayor or his designee.

STILL FURTHER RESOLVED that said Agreement shall not become binding upon the City of Atlanta, and the City of Atlanta shall incur no obligation or liability thereunder until the same has been signed by the Mayor and delivered to the Lessee.

A true copy,

Thonda Daughlin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

AUG 07, 2000
AUG 13, 2000

RCS# 2153
8/07/00
4:06 PM

Atlanta City Council

Regular Session

CONSENT 1

Pages 1-15 KP

Adopt

YEAS: 13
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 1

SEE ATTACHED LISTING OF
ITEMS ADOPTED/ADVERSED
ON CONSENT AGENDA

NV McCarty
Y Starnes
Y Bond
Y Winslow

Y Dorsey
Y Woolard
Y Morris
Y Muller

Y Moore
Y Martin
Y Maddox
Y Boazman

Y Thomas
B Emmons
Y Alexander
NV Pitts

ITEM (S) REMOVED FROM
CONSENT AGENDA
00-O-1102
00-R-1197
00-R-1106
00-R-1123
00-R-0721

08/07/00 Council Meeting		
ITEMS ADOPTED ON CONSENT AGENDA	ITEMS ADOPTED ON CONSENT AGENDA	ITEMS ADVERSESED ON CONSENT AGENDA
1. 00-O-1009 2. 00-O-1010 3. 00-O-1011 4. 00-O-1012 5. 00-O-1079 6. 00-O-0834 7. 00-O-1065 8. 00-O-1004 9. 00-O-1112 10. 00-R-1139 11. 00-R-1140 12. 00-R-1141 13. 00-R-1142 14. 00-R-1144 15. 00-R-1204 16. 00-R-1208 17. 00-R-1209 18. 00-R-1210 19. 00-R-1106 20. 00-R-1146 21. 00-R-1147 22. 00-R-1194 23. 00-R-1203 24. 00-R-1205 25. 00-R-1212 26. 00-R-1213 27. 99-R-1145 28. 99-R-1932 29. 00-R-1108 30. 00-R-1110 31. 00-R-1129 32. 00-R-1130 33. 00-R-1131 34. 00-R-1134 35. 00-R-1206 36. 00-R-1121 37. 00-R-0329 38. 00-R-1136 39. 00-R-1137 40. 00-R-1138	41. 00-R-1175 42. 00-R-1176 43. 00-R-1177 44. 00-R-1178 45. 00-R-1179 46. 00-R-1180 47. 00-R-1181 48. 00-R-1182 49. 00-R-1183 50. 00-R-1184 51. 00-R-1185 52. 00-R-1186 53. 00-R-1187 54. 00-R-1188 55. 00-R-1189 56. 00-R-1190 57. 00-R-1191 58. 00-R-1192 59. 00-R-1193 60. 00-R-1199 61. 00-R-1200 62. 00-R-1201 63. 00-R-1202	64. 00-R-1148 65. 00-R-1149 66. 00-R-1150 67. 00-R-1151 68. 00-R-1152 69. 00-R-1153 70. 00-R-1154 71. 00-R-1155 72. 00-R-1156 73. 00-R-1157 74. 00-R-1158 75. 00-R-1159 76. 00-R-1160 77. 00-R-1161 78. 00-R-1162 79. 00-R-1163 80. 00-R-1164 81. 00-R-1165 82. 00-R-1166 83. 00-R-1167 84. 00-R-1168 85. 00-R-1169 86. 00-R-1170 87. 00-R-1171 88. 00-R-1172 89. 00-R-1173 90. 00-R-1174